House gives federal building fund a go-ahead

The House last week overwhelmingly approved a bill that may permit the federal government to undertake its largest building construction program in recent history.

If finally signed into law, the measure (H.R. 10488) will give the General Services Administration (GSA) power to begin contracting immediately for 63 federal office structures estimated to cost more than $1.4 billion (ENR 10/7/71 p. 14). More buildings may be added to the list upon presidential declaration and subsequent approval by public works committees.

The legislation is primarily a stopgap measure, designed to help the government work off a huge backlog of needed buildings that have been authorized by Congress but, in most cases, have not progressed beyond the design stage because building funds have never been appropriated or released. Some of the projects were initially approved nine years ago.

Under the House measure, which closely parallels legislation (S.1736) passed by the Senate last year, GSA will be permitted to enter into agreements with developers that will finance and build the structures and lease them back to the government. While not taking immediate title to the buildings, the government, over a 10 to 30-year period, will pay off the buildings and eventually become the owner. Although not the initial owner, the government will provide already-prepared architectural drawings and supervise construction, in some cases through the use of a construction manager.

Closely tied to such lease-purchase arrangements is another provision of the bill that will establish a system for charging government agencies occupying GSA office space a user fee equivalent to rent in the commercial office market. These funds will be siphoned into a revolving fund to pay off the purchase contracts and for funding new buildings.

GSA believes this technique will circumvent much of the congressional red tape that has held up the design and construction process on federal buildings. GSA, prior to construction, would have to gain approval of a building prospectus by the House and Senate public works committees, but would not have to go through the time consuming process of authorization and appropriation that has kept many projects on the back burner. However, an amendment to the House version will require GSA to receive approval of the appropriations committees, a measure the bill's supporters hope can be removed in the House-Senate conference.

Rep. Kenneth Gray (D-Ill.), sponsor of the House bill, says the bill will give continuity to the government building program and save money in the long-run by reducing the heavy rental cost that GSA is now paying to lease space.

While conceding that the costs of buildings acquired under lease-purchase will be high because the government will absorb the private developers' real estate taxes, profit and borrowing costs, supporters contend it is the only way to reduce the building backlog.

Rep. Kenneth Gray
Build now and pay later.

If the differences in the Senate and House versions of the bill can be worked out quickly, GSA expects to begin letting construction contracts this summer.

Court denies broad environmental mandates

As a result of last week's Mineral King Valley Supreme Court decision, conservationists can no longer play a wide-ranging public defender role in U.S. courts, challenging any development they feel injures the environment.

The environmentalists suffered the setback when the Supreme Court, by a four-to-three vote, set aside the Sierra Club's suit to block the $35-million Walt Disney Enterprises, Inc., tourist development in Mineral King Valley in California's Sequoia National Forest.

The Sierra Club sought to make its case by insisting that by being an established protector of the environment with background in the ecology of the Sierra Nevada Mountains, it could oppose the project. The club did not claim injury to individual members.

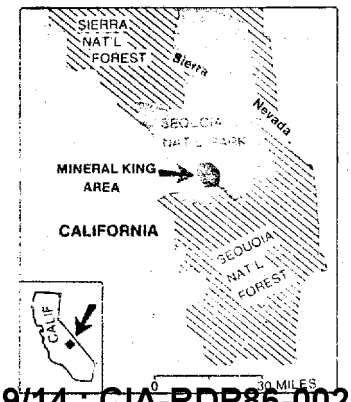
The court's decision held that the club had not shown how the lower court decision would injure any of its members.

Solicitor General Erwin N. Griswold countered vigorously before the court last November arguing that, if the Sierra Club could bring suit, virtually any group wrapping itself in the flag of public interest could bring court action against virtually any government decision. This argument persuaded the court majority.

The Sierra Club said it interpreted the decision as "a technical setback, but by no means the end of the line." The club added that the court "has virtually given us an invitation to refile our pleadings after amending them to show that our esthetic interest in Mineral King would indeed suffer if Disney is allowed to build its resort complex."

Meanwhile, environmentalists are throwing their muscle behind legislation that would overturn the High Court decision. A bill (S.1032), cosponsored by Senators George S. McGovern (D-S.D.) and Philip Hart (D-Mich.), would enable any citizens group to sue against alleged environmental degradation wherever it occurred. A Senate subcommittee has set an executive session on the bill for April 27.

Even though the Sierra Club lost the case, the outcome should spur environmentalists to new court battles, although without a broad mandate. Club officials in San Francisco said they hadn't studied the decision enough to know how the ruling might affect other suits that they have instigated.



Disputed area is between national forest and national park.